



MONTANA OFFICE OF TOURISM | DEPARTMENT OF COMMERCE

SENATE FINANCE & CLAIMS

Exhibit No. 1

Date 4-5-11

Bill No. HB 317

April 4, 2011

Dear Senate Finance and Claims committee members:

The Tourism Advisory Council (TAC) is a gubernatorially appointed council of tourism related representatives whose focus is to help maintain a healthy sustainable tourism industry in the state of Montana. The TAC represents Montana's tourism interests and asks that you please vote in opposition to House Bill 317 –Sunset statutory appropriations over certain periods, sponsored by Representative Rob Cook, as this would sunset funding for tourism promotion.

Government is continuously being tasked to run itself more like a business. The tourism industry is a great example of this in action as the statutory appropriation allows for strategic planning and marketing. The tourism industry is a great example of a public-private partnership that works. The industry has created a 5-year strategic plan with the input from over 1,200 individuals. Additionally annual marketing plans are created to implement the goals outlined in the strategic plan. All of this information is currently available for review. Sunsetting the funding for this successful partnership is not an efficient use of resources either from the private businesses nor government perspective and it restricts the ability to plan ahead and make wise choices for the funds that are available.

Tourism is one of the state's basic industries. As such, we bring new money into the state which is essential to thousands of small businesses in all areas of the state, urban and rural alike. A recent consumer advertising conversion study showed the following results of the efforts of our statewide advertising efforts.

- Awareness of Montana as a travel destination in advertising markets rose by 37%
- Consumers aware of the advertising were three times more likely to plan travel than those unaware of the advertising
- Consumer advertising generated approximately 416,000 incremental trips, resulting in an additional \$424,000,000 in visitor spending in the economy of Montana.
- For every bed tax dollar invested into the Montana Office of Tourism's targeted campaigns, visitors spent \$104 in Montana. That is a doubling of the Return on Investment (ROI) in 5 years.
- For every bed tax dollar invested in advertising, \$4.53 is returned to the state's general fund.

Please do not pass House Bill 317. Please feel free to contact me if you have further questions at 406-226-9220 Thank you for your consideration.

Sincerely,

Ed DesRosier, Chairman  
Tourism Advisory Council

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Brian Schweitzer, Governor